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The Board of Directors  
Wheelock and Company Limited  
23/F., Wheelock House  
20 Pedder Street  
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Hong Kong

21 May 2020

Dear Sirs,

**Wheelock and Company Limited (“the Company”)  
Profit Estimate for the three months ended 31 March 2020**

We refer to the estimate of the consolidated loss attributable to equity shareholders of the Company for the three months ended 31 March 2020 (“the Profit Estimate”). The Profit Estimate has been prepared to enable the directors of the Company to issue the following statement set forth in the profit warning announcement of the Company dated 28 April 2020 (the “Profit Warning Announcement”):

*Based on the management information currently available to the Company including the latest unaudited management accounts of the Group for the three months ended 31 March 2020, the Board of Directors of the Company (the “Board”) wishes to advise shareholders and investors of its preliminary estimation that the Group expects a loss attributable to equity shareholders for the three months ended 31 March 2020 of approximately HK\$6 billion mainly due to the losses and/or reduced profitability of our principal businesses and the effect of unrealised revaluation deficit or impairment of the Group’s investment properties, development properties and hotels thus caused. The Group’s financial performance in 2020 has so far been impacted mainly by the very weak economic environment and the extreme market and operating conditions caused by COVID-19 on the Group’s business.*

**Directors’ Responsibilities**

The Profit Estimate has been prepared by the directors of the Company based on the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as “the Group”) for the three months ended 31 March 2020.

The Company’s directors are solely responsible for the Profit Estimate.

**Our Independence and Quality Control**

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.



The firm applies Hong Kong Standard on Quality Control 1 “Quality Control for Firms That Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements” issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Reporting Accountants’ Responsibilities**

Our responsibility is to express an opinion on the accounting policies and calculations of the Profit Estimate based on our procedures.

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 500 “Reporting on Profit Forecasts, Statements of Sufficiency of Working Capital and Statements of Indebtedness” and with reference to Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” issued by the HKICPA. Those standards require that we plan and perform our work to obtain reasonable assurance as to whether, so far as the accounting policies and calculations are concerned, the Company’s directors have properly compiled the Profit Estimate in accordance with the bases adopted by the directors and as to whether the Profit Estimate is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Accordingly, we do not express an audit opinion.

### **Opinion**

In our opinion, so far as the accounting policies and calculations are concerned, the Profit Estimate has been properly compiled in accordance with the bases adopted by the directors as set out in the Profit Warning Announcement and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in the published consolidated financial statements of the Group for the year ended 31 December 2019.

Yours faithfully,

*Certified Public Accountants*  
Hong Kong